Introduces Legislation to Improve Medicare Reimbursements to Rural Areas

WASHINGTON, D.C. - In his continued efforts to improve health care in rural areas, Congressman Jerry Moran today introduced legislation to improve Medicare payments to small, rural hospitals. H.R. 2350, the Rural Community Hospital Assistance Act, will improve Kansans' access to health care services by providing rural hospitals with the funding needed to keep their doors open.

"Rural hospitals in Kansas and across the country provide essential inpatient and outpatient care to nearly nine million Americans on Medicare," Moran said. "As it stands today, Medicare falls woefully short in reimbursing these hospitals for the true costs of their services."

Because of their small size - an average of 58 beds compared to the urban average of 186 - rural hospitals have fewer financial reserves. They also face unpredictable changes in patient volume. Rural facilities are also more likely to be dependent on Medicare for the majority of their funding.

The Rural Community Hospital Assistance Act would allow Critical Access Hospitals, those with 25 or fewer beds, to receive reimbursements based on the actual costs, not a percentage of the costs, for follow-up care after a patient leaves, such as skilled nursing and home health services. These hospitals would also receive payments for ambulance services that are based on the actual costs.

Hospitals with 50 or fewer beds do not qualify as Critical Access Hospitals, but they are still unable to absorb financial risks like larger hospitals. Moran's legislation would also allow these hospitals to receive reimbursements based on actual costs for inpatient, outpatient, home health and ambulance services.

"Inadequate Medicare funding has left our health care professionals and providers struggling to meet the needs of rural America," Moran said. "Neither our seniors, nor our younger families, will be able to remain in communities that lack adequate health care services. Hospitals and other health care providers are important for our quality of life in rural Kansas, and they are essential to the survival of our communities."

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